LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, MAY 22, 2007**, upon the application of **J-W OPERATING COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A and the Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana.

- 1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A.
- 2. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Lower Cotton Valley Zone, Reservoir A.
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30 of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 4. To designate Applicant as operator of, and its Cowley 1 No. 1 Well, located as shown on the plats submitted with the application, as the unit well for, the proposed additional units.
- 5. To authorize the downhole combination of production from the Lower Cotton Valley Zone, Reservoir A, and the Cotton Valley Formation, Reservoir A; in the wellbore of any well drilled on the additional units proposed herein in which the interests in the units are identical.
- 6. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-B, effective October 1, 1973, as amended and supplemented by the Order No. 361-B series of Orders, and of all applicable Statewide Orders, to the proposed additional unit for the Cotton Valley Formation, Reservoir A.
- 7. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-E, effective July 16, 1996, as amended and supplemented by the Order No. 361-E series of Orders, and of all applicable Statewide Orders, to the proposed additional unit for the Lower Cotton Valley Zone, Reservoir A.
- 8. To consider such other matters as may be pertinent.

The Cotton Valley Formation, Reservoir A, was defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined by subsequent orders of the 361-B Series.

The Lower Cotton Valley Zone, Reservoir A, was defined in Office of Conservation Order No. 361-E, effective July 16, 1996.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 4/17/07;4/20/07 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.